Form 3160-3 (August 2007)

## **UNITED STATES**

FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

| DEPARTMENT OF  | THE INTERIOR  |   |                      |  |
|--|---|---|----------------------|--|
| BUREAU OF LAND   | 5. Lease Serial No.<br>UTU0129384   |   |                      |  |
| APPLICATION FOR PERMIT   | 6. If Indian, Allottee or Trib  | e Name  |                      |  |
| la. Type of Work: DRILL REENTER  |   | 7. If Unit or CA Agreement,<br>NATURAL BUTTES   | , Name and No.<br>UN |  |
| 1b. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Ot   | her Single Zone Multiple Zone   | 8. Lease Name and Well No<br>NATURAL BUTTES UN  | ,<br>NIT 757-26E     |  |
| 2. Name of Operator Contact: EOG RESOURCES, INC. E-Mail: kaylene   | KAYLENE R GARDNER gardner@eogresources.com  | 9. API Well No. 43-04                           | 7-40238              |  |
| 3a. Address<br>1060 EAST HIGHWAY 40<br>VERNAL, UT 84078  | 3b. Phone No. (include area code) Ph: 435-781-9111  | 10. Field and Pool, or Explo<br>NATURAL BUTTES/ | ratorv               |  |
| 4. Location of Well (Report location clearly and in accorda  | nce with any State requirements.*)  | 11. Sec., T., R., M., or Bik. a                 | and Survey or Area   |  |
|  | .92390 N Lat, 109.51217 W Lon   | Sec 26 T10S R21E N                              | -                    |  |
| At proposed prod. zone 627212 x 442014   | 14 39.923892 -109.511410  |   |                      |  |
| <ol> <li>Distance in miles and direction from nearest town or post<br/>49.7 MILES SOUTH OF VERNAL, UT</li> </ol>   | office*   | 12. County or Parish<br>UINTAH                  | 13. State<br>UT      |  |
| <ol> <li>Distance from proposed location to nearest property or<br/>lease line, ft. (Also to nearest drig. unit line, if any)</li> <li>798</li> </ol>  | 16. No. of Acres in Lease<br>1280.00  | 17. Spacing Unit dedicated to                   | o this well          |  |
| 18. Distance from proposed location to nearest well, drilling,   | 19. Proposed Depth  | 20. BLM/BIA Bond No. on t                       | file                 |  |
| completed, applied for, on this lease, ft. 1020  | 6488 MD   | NM 2308   |                      |  |
| 21. Elevations (Show whether DF, KB, RT, GL, etc. 5364 GL.   | 22. Approximate date work will start  | 23. Estimated duration 45 DAYS                  |                      |  |
|  | 24. Attachments   |   |                      |  |
| The following, completed in accordance with the requirements of  | Onshore Oil and Gas Order No. 1, shall be attached to the   | nis form:                                       |                      |  |
| <ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest Syste<br/>SUPO shall be filed with the appropriate Forest Service Off</li> </ol> | em Lands, the S. Operator certification   | ns unless covered by an existing                |                      |  |
| 25. Signature<br>(Electronic Submission)   | (Electronic Submission) KAYLENE R GARDNER Ph: 435-781-9111  |   | Date<br>07/14/2008   |  |
| Title<br>LEAD REGULATORY ASSISTANT   |   |   |                      |  |
| Approved by (Signature)  | Name (Printed/Typed)  |   | Date                 |  |
| Title  | Office  |   |                      |  |
| Application approval does not warrant or certify the applicant holoperations thereon.  Conditions of approval, if any, are attached.   | ds legal or equitable title to those rights in the subject lea  | se which would entitle the appl                 | icant to conduct     |  |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, m<br>States any false, fictitious or fraudulent statements or representati  | ake it a crime for any person knowingly and willfully to<br>ons as to any matter within its jurisdiction. | make to any department or age                   | ncy of the United    |  |

Additional Operator Remarks (see next page)

Electronic Submission #61395 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

RECEIVED JUL 1 6 2008

DIV. OF OIL, GAS & MINING

#### EOG RESOURCES, INC. T10S, R21E, S.L.B.&M. 1977 Bross Cap Well location, NBU #757-26E, located as shown High Pile of in the NE 1/4 NE 1/4 of Section 26, T10S. Stones S89°58'22"W - 2664.78' (Meas.) R21E, S.L.B.&M., Uintah County, Utah. N89°59'56"W - 2665.94' (Meas. 1977 Brass Cap 1977 Brass Cap BASIS OF ELEVATION 0.2' Above 0.5' High Pile of 0.6' High, Pile of Stones Stones TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M., TAKEN FROM THE BIG *NBU #757-26E* PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 Elev. Üngraded Ground = 5364 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE 2687.08° 850 UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET. BASIS OF BEARINGS BASIS OF BEARINGS IS A G.P.S. OBSERVATION. NO0\*45'50"W 26 1977 Brass Cap 1977 Brass Cap Flush with 0.5 Flush with 2.0' High Pile of High Pile of Stones **Stones** SCALE CERTIFICATE THIS IS TO CERTIFY THAT THE ABOVE PI FIELD NOTES OF ACTUAL SURVEYS MAD SUPERVISION AND THAT THE SAME AS BEST OF MY KNOWLEDGE AND BELIEF 1977 Brass Cap 0.6' Above 2.0' 1977 Brass Can 1977 Brass Cap High Pile of 0.6' High, Pile Flush with Top Stones of Stones of Pile of Stones N89°59'04"W - 2679.46' (Meas.) S89°58'43"E - 2679.89' (Meas.) UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017 (NAD 83) LEGEND: LATITUDE = 39.55'26.05'' (39.923903) SCALE DATE SURVEYED: DATE DRAWN: LONGITUDE = 109'30'43.80" (109.512167) 1" = 1000'4-17-08 4-24-08 = 90° SYMBOL (NAD 27) PARTY REFERENCES LATITUDE = $39^{\circ}55'26.17''$ (39.923936) = PROPOSED WELL HEAD. D.S. E.D. C.P. G.L.O. PLAT LONGITUDE = 109'30'41.33" (109.511481) WEATHER = SECTION CORNERS LOCATED. EOG RESOURCES, INC. COLD

# NATURAL BUTTES UNIT 757-26E NE/NE, SEC. 26, T10S, R21E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

| FORMATION              | TVD-RKB (ft) | Objective | Lithology |     |
|------------------------|--------------|-----------|-----------|-----|
| Green River            | 1,127        |           | Shale     |     |
| Mahogany Oil Shale Bed | 1,842        |           | Shale     |     |
| Wasatch                | 4,235        | Primary   | Sandstone | Gas |
| Chapita Wells          | 4,877        | Primary   | Sandstone | Gas |
| Buck Canyon            | 5,474        | Primary   | Sandstone | Gas |
| North Horn             | 6,184        | Primary   | Sandstone | Gas |
|                        |              |           |           |     |
| ОТ                     | 6,488        |           |           | 1   |

Estimated TD: 6,488' or 200'± below TD

Anticipated BHP: 3,543 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft  $\pm$  of the Green River Formation, with top at about 2,000 ft  $\pm$ .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole - 5000 Psig

BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

| CASING     | <u>Hole</u><br>Size | <u>Length</u>      | <u>Size</u> | WEIGHT | <u>Grade</u> | <u>Thread</u> | Rating<br>Collapse | <u>Factor</u><br>Burst | Tensile  |
|------------|---------------------|--------------------|-------------|--------|--------------|---------------|--------------------|------------------------|----------|
| Conductor  | 17 ½"               | 0 60'              | 13 %"       | 48.0#  | H-40         | STC           | 770 PSI            | 1730 PSI               | 322,000# |
| Surface    | 12 ¼"               | 0' - 2,300'<br>KB± | 9-5%"       | 36.0#  | J-55         | STC           | 2020 PSI           | 3520 Psi               | 394,000# |
| Production | 7-7/8"              | Surface - TD       | 4-1/2"      | 11.6#  | N-80         | LTC           | 6350 PSI           | 7780 Psi               | 233,000# |

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

#### NATURAL BUTTES UNIT 757-26E NE/NE, SEC. 26, T10S, R21E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 5. Float Equipment:

#### Surface Hole Procedure (0'- 2300'±)

Guide Shoe Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of its. #2 and #3 then every 5th joint to surface. (15 total)

#### Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

#### 6. MUD PROGRAM

#### Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

#### Production Hole Procedure (2300'± - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD

A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

#### NATURAL BUTTES UNIT 757-26E NE/NE, SEC. 26, T10S, R21E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

Onshore Oil and Gas Order No. 2 - Section E: Special Drilling Operations

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- o EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the bloole line. (Not required on aerated water system).
- o EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

#### 8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following: Cement

**Bond / Casing Collar Locator and Pulsed Neutron** 

# NATURAL BUTTES UNIT 757-26E NE/NE, SEC. 26, T10S, R21E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 9. CEMENT PROGRAM:

#### Surface Hole Procedure (Surface - 2300'±):

Lead: 185 sks

Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx

GR3 1/4 #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

Tail:

207 sks

Class "G" cement with 2% CaCl<sub>2</sub>, 1/4#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps

water.

Top Out:

As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, 1/4#/sk Flocele mixed at 15.6 ppg.

1.18 ft<sup>3</sup>/sk., 5.2 gps water.

Note:

Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

#### Production Hole Procedure (2300'± - TD)

Lead:

105 sks:

Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello

flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

Tail:

481 sks:

50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075%

D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1

ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

#### 10. ABNORMAL CONDITIONS:

#### Surface Hole (Surface - 2300'±):

Lost circulation

#### Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

#### NATURAL BUTTES UNIT 757-26E NE/NE, SEC. 26, T10S, R21E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

#### 12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

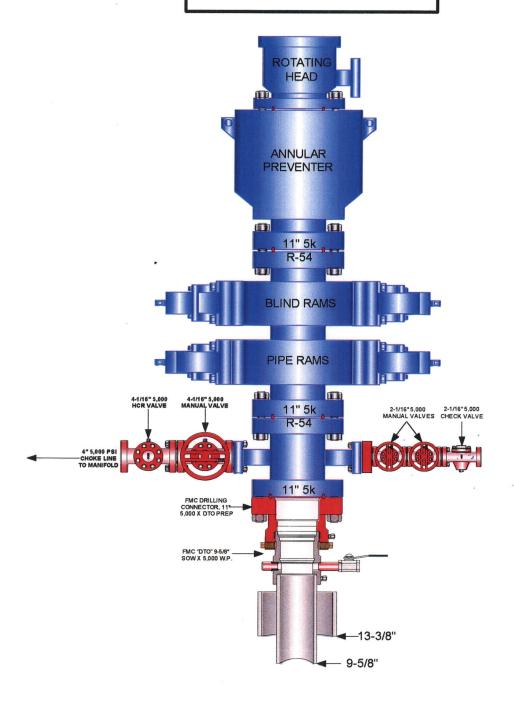
#### 13. Air Drilling Operations:

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

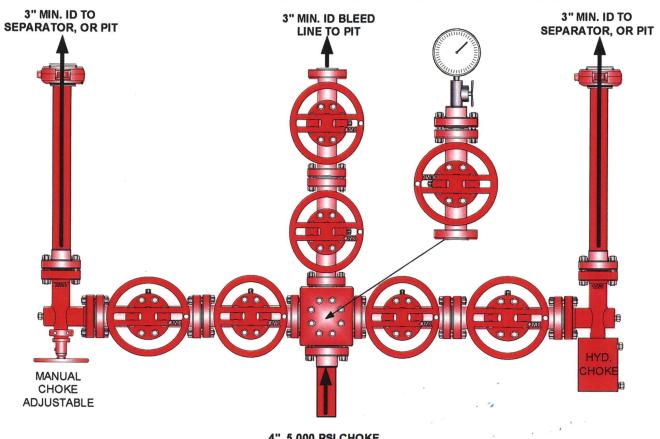
## EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

PAGE 1 OF 2



## EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



4" 5,000 PSI CHOKE LINE FROM HCR VALVE

#### **Testing Procedure:**

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



### Natural Buttes Unit 757-26E NENE, Section 26, T10S, R21E Uintah County, Utah

#### SURFACE USE PLAN

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 304 feet long with a 40-foot right-of-way, disturbing approximately 0.28 acres. New surface disturbance associated with the well pad and access road is estimated to be 2.53 acres. The pipeline is approximately 971 feet long with a 40-foot temporary right-of-way and a 20-foot permanent right-of-way disturbing approximately 0.45 acre.

#### 1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 49.7 miles south of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

#### 2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 304' in length. Culvert's and low water crossings shall be installed as needed. See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

#### 3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

#### 4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

#### A. On Well Pad

- Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, one (1) 300-bbl tank and/or two (2) 400-bbl vertical tanks and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

#### B. Off Well Pad

- 1. Proposed pipeline will transport natural gas.
- 2. The pipeline will be a permanent feeder line.
- 3. The length of the proposed pipeline is 971' x 40' temporary, 971 x 20' permanent. The proposed pipeline leaves the eastern edge of the well pad (Lease UTU0129384) proceeding in a easterly direction for an approximate distance of 971' tieing into an existing pipeline in the NENE of Section 26, T10S, R21E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
- 4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
- 5. Proposed pipeline will be laid on surface.
- A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary rightof-way will be utilized for a 10-day period.
- 7. The proposed pipeline route begins in the NENE of Section 26, Township 10S, Range 21E, proceeding easterly for an approximate distance of 971' to the NENE of Section 26, Township 10S, Range 21E.
- 8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All facilities will be painted with Carlsbad Canyon. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

#### 5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

#### 6. Source of Construction Materials:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

#### 7. METHODS OF HANDLING WASTE DISPOSAL:

#### A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3, 4, 5 or 6, Coyote Evaporation Ponds, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with **double felt, and a 20-millimeter plastic liner**. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

#### 8. ANCILLARY FACILITIES:

None anticipated.

#### 9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

#### **FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

#### 10. PLANS FOR RECLAMATION OF THE SURFACE:

#### A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

| Seed Mixture       | Drilled Rate<br>(lbs./acre PLS*) |
|--------------------|----------------------------------|
| HyCrest Wheatgrass | 9.0                              |
| Prostrate Kochia   | 3.0                              |

<sup>\*</sup>Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

| Seed Mixture           | Drilled Rate<br>(lbs./acre PLS*) |
|------------------------|----------------------------------|
| Wyoming Big Sage       | 1.0                              |
| Shadscale              | 4.0                              |
| Needle and Threadgrass | 4.0                              |
| HyCrest Wheatgrass     | 2.0                              |
| Scarlet Globe Mallow   | 1.0                              |

<sup>\*</sup>Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### 11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

#### **Bureau of Land Management**

#### 12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
  - Whether the materials appear eligible for the National Register of Historic Places;
  - The mitigation measures the operator will likely have to undertake before the site can be used.
  - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

#### **Additional Surface Stipulations:**

None

#### LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

#### **PERMITTING AGENT**

Kaylene R. Gardner EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078 (435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

#### **CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Natural Buttes Unit 757-26E Well, located in the NENE, of Section 26, T10S, R21E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

July 14, 2008

Date

Kaylene R. Gardner, Lead Regulatory Assistant

### EOG RESOURCES, INC.

### NBU #757-26E SECTION 26, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 304' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.7 MILES.

## EC 3 RESOURCES, I. C.

NBU #757-26E

LOCATED IN UINTAH COUNTY, UTAH SECTION 26, T10S, R21E, S.L.B.&M.

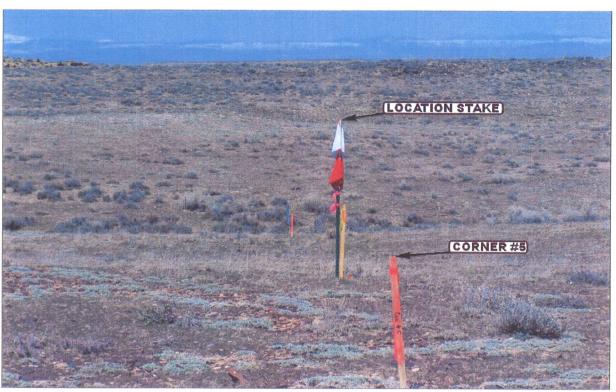


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY

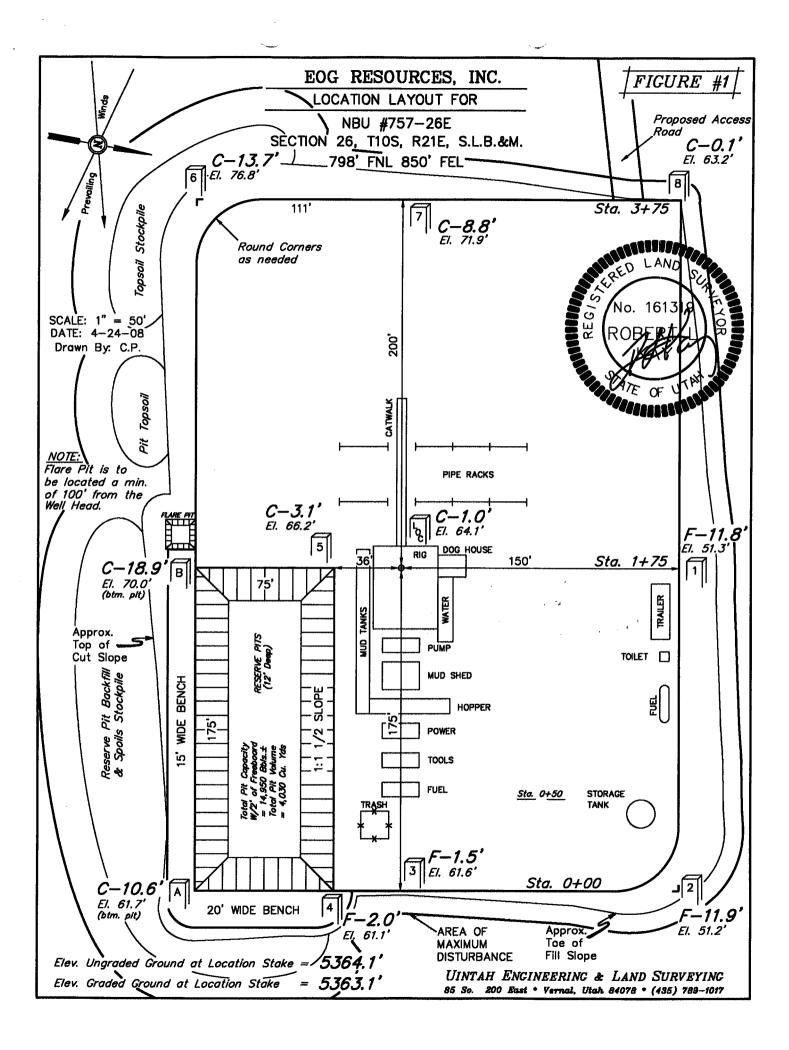


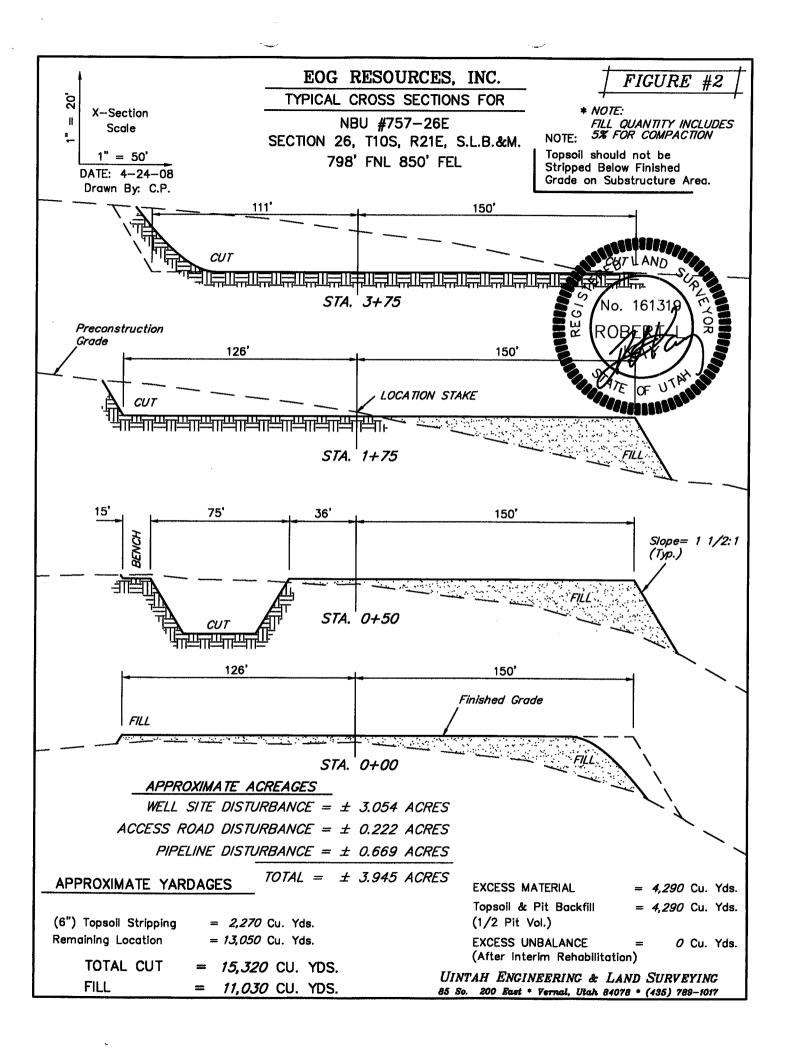


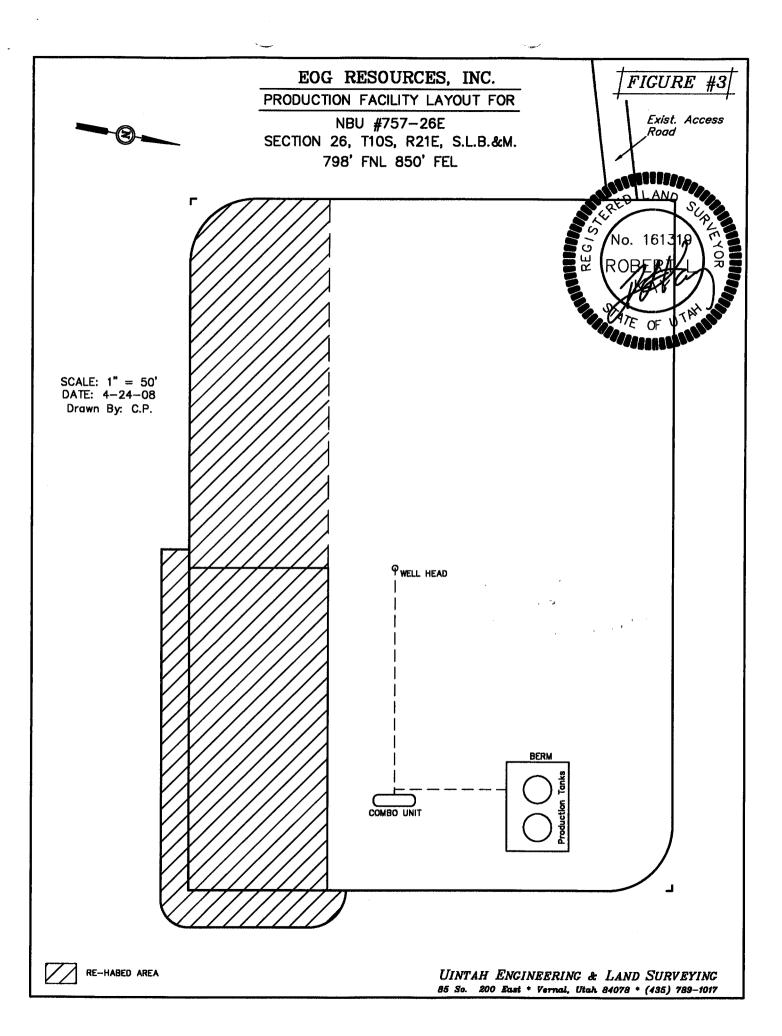


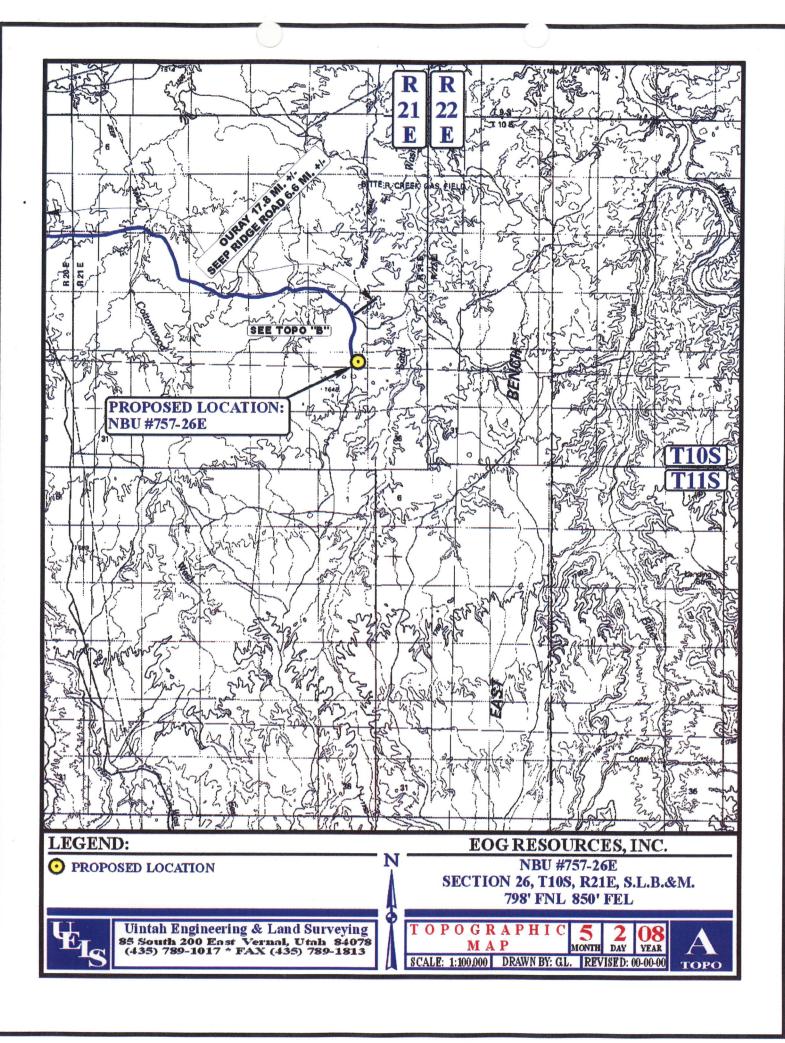
PHOTO

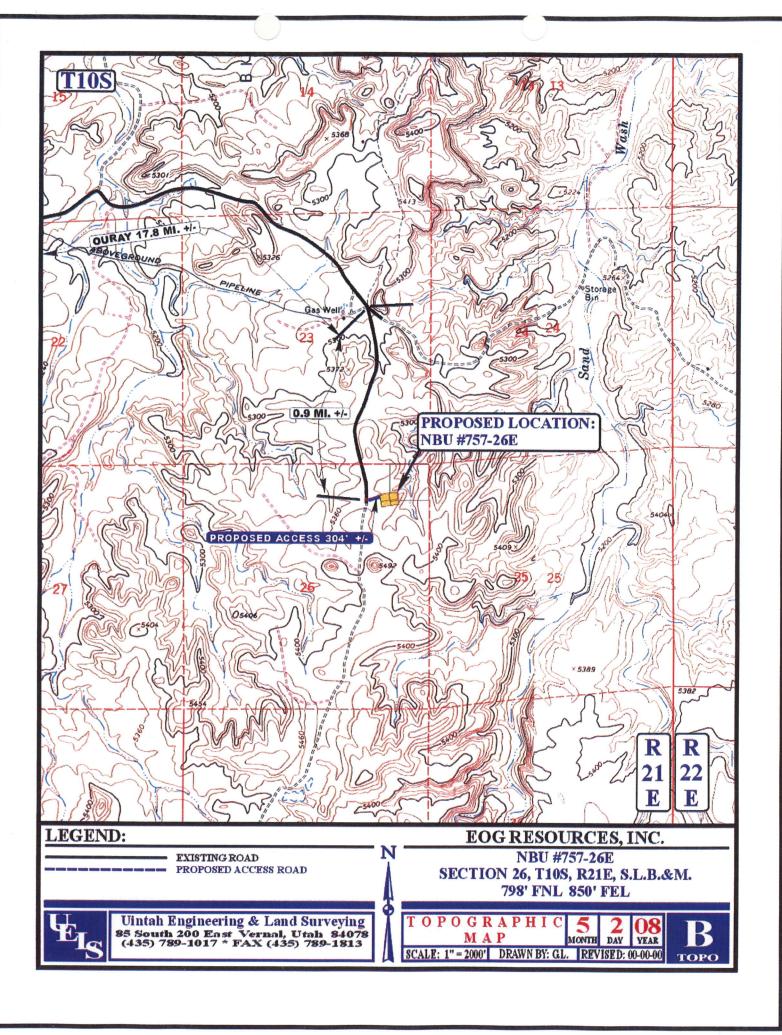
TAKEN BY: D.S. DRAWN BY: GL. REVISED: 00-00-00

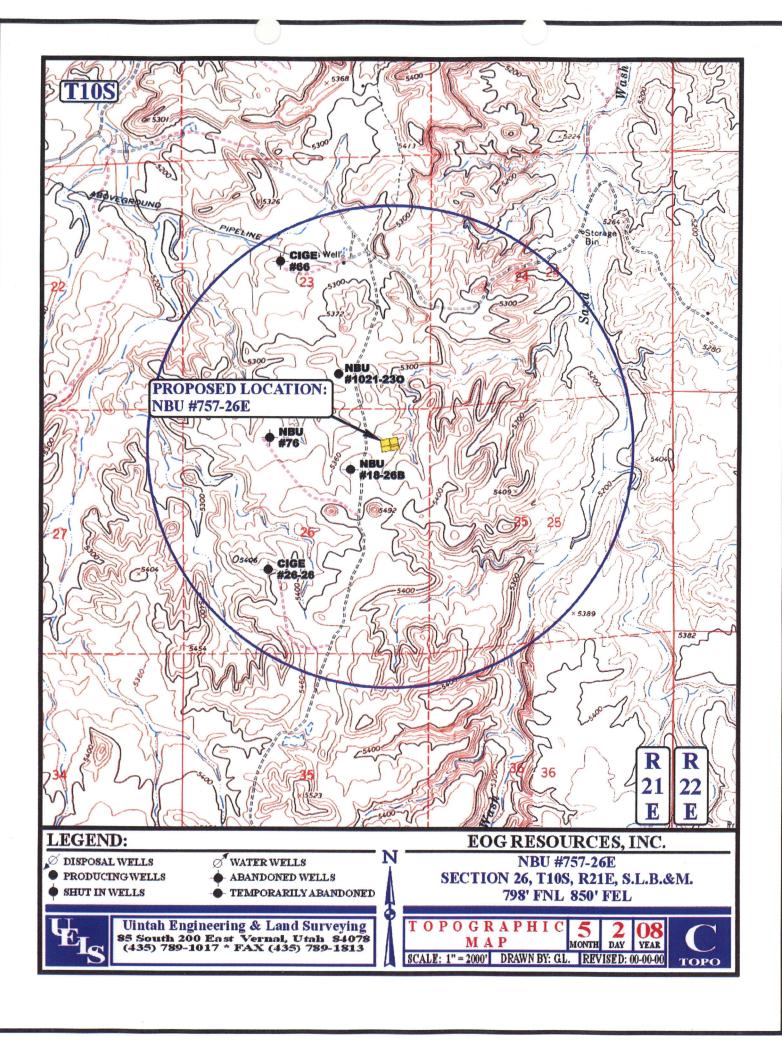


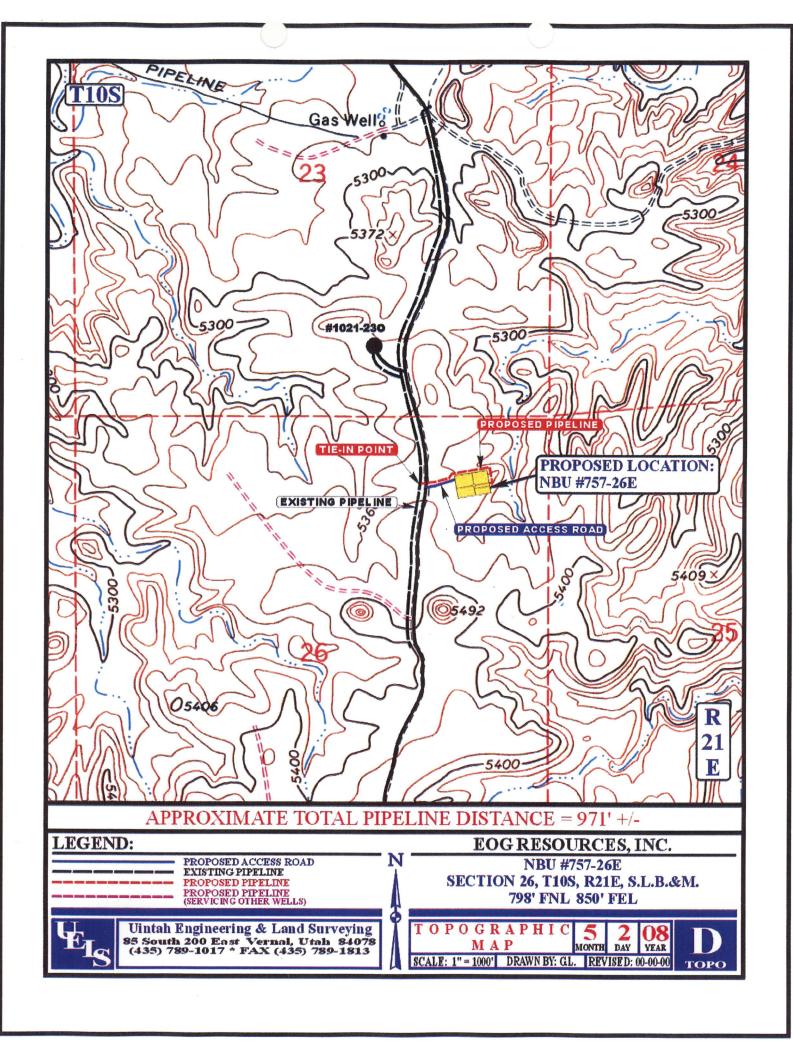






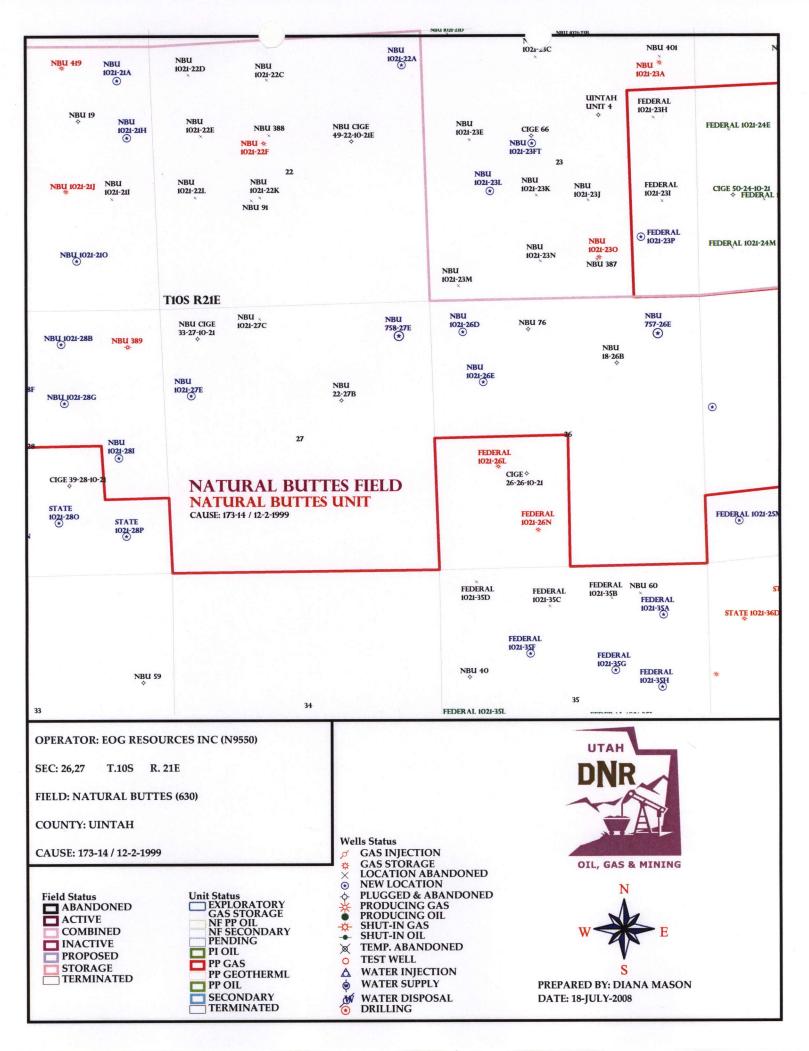






## WORKSHEET APPLICATION FOR PERMIT TO DRILL

| API RC. ASSIGNED: 43-047-40238  WELL NAME: NBU 757-26E  WELL NAME: SEG RESOURCES, INC. ( N9550 )  OFERATOR: EGG RESOURCES, INC. ( N9550 )  PHONE NUMBER: 435-781-9111  PROPOSED LOCATION:  SURFACE: 0798 FNL 0850 FEL  SUTFOW: 0798 FNL 0850 FEL  SUTFOW: 0798 FNL 0850 FEL  COUNTY: UNINTAH  LATITUDE: 39.92389 LONGITUDE: -109.5114  COUNTY: UNINTAH  LATITUDE: 39.92389 LONGITUDE: -109.5114  COUNTY: UNINTAH  LEASE TYPE: 1 - Federal  LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU0129384  SURFACE OWNER: 1 - Federal  COALBED METHANE WELL? NO  RECEIVED AND/OR REVIEWED:  Plat  (No. NM 2308 )  AP Potash (Y/N)  OIL Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 49-225 )  A RDCC Review (Y/N)  (Date: )  A RECEIVED (Y/N)  (Date: )  A RECE REVIEW (Y/N)  (Date: )  A RECE REVIEW (Y/N)  (Date: )  A RECE REVIEW (Y/N)  (Date: )  A REA PERMIT  (No. 49-225 )  A RECE REVIEW (Y/N)  (Date: )  A REA PERMIT  (No. 49-225 )  A RECE REVIEW (Y/N)  (Date: )  A REA PERMIT  (No. 49-225 )  A RECE REVIEW (Y/N)  (Date: )  A REA PERMIT  (No. 49-225 )  A RECE REVIEW (Y/N)  (Date: )  A REA PERMIT  (No. 49-225 )  A REA PERMIT  (No. 49-225 )  A REA PERMIT  (No. 49-225 )  A RECE REVIEW (Y/N)  (Date: )  A REA PERMIT  (No. 49-225 )  A REA PERMIT  (No. 49-225 )  A RECE REVIEW (Y/N)  (Date: )  A REA PERMIT  (No. 49-225 )  A RECE REVIEW (Y/N)  (Date: )  A REA PERMIT  (No. 49-225 )  A REA PERMIT  (No. 49-225 )  A RECE REVIEW (Y/N)  (Date: )  A REA PERMIT  (No. 49-225 )  A RECEIVED AND/OR REVIEWED:   A REA PERMIT  (No. 49-225 )  A RECEIVED AND/OR REVIEWED:   A REA PERMIT  (No. 49-225 )  A RECEIVED AND/OR REVIEWED:   A REA PERMIT  (No. 49-225 )  A RECEIVED AND/OR REVIEWED:   A REA PERMIT  (No. 49-225 )  A RECEIVED AND/OR REVIEWED:   A REA PERMIT  (No. 49-225 )  A RECEIVED AND/OR REVIEWED:   A RECEIVED AND/OR REVIEWED:   A REA PERMIT  (No. 49-225 )  A RECEIVED AND/OR REVIEWED:   A REA PERMIT  (No. 49-225 )  A RECEIVED AND/OR REVIEWED:   A RECEIVED AND/OR REVIEWED:   A REA PERMIT |  |                                    |                  |  |  |                 |
|--|--|------------------------------------|------------------|--|--|-----------------|
| OPERATOR: EOG RESOURCES, INC. ( N9550 ) CONTACT: KAYLENE GARDNER  PROPOSED LOCATION: NENE 26 100S 210E SURFACE: 0798 FNL 0850 FEL COUNTY: UINTAH LATITUDE: 39.92389 LONGITUDE: -109.5114 UTM SURF EASTINGS: 627212 NORTHINGS: 4420161 FIELD NAME: NATURAL BUTTES ( 630 )  LEASE TYPE: 1 - Federal LEASE NUMBER: UTU0129384 PROPOSED FORMATION: WSTC SURFACE OWNER: 1 - Federal COALBED METHANE WELL? NO  RECEIVED AND/OR REVIEWED:  Wind Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 49-225 ) Mater Permit (No. 49-225 ) Mat | APD RECEIVED: 07/  | 16/2008                            |                  | API NO. ASSIG  | NED: 43-047  | '-40238         |
| INSPECT LOCATION:  | OPERATOR: EOG RE   | SOURCES, INC. ( N9550 )            |                  | PHONE NUMBER:  | 435-781-911  | 1               |
| NEME 26 100S 210E SURFACE: 0798 FNL 0850 FEL BOTTOM: 0798 FNL 0850 FEL BOTTOM: 0798 FNL 0850 FEL COUNTY: UINTAH LATITODE: 39.92389 LONGITUDE: -109.5114 UTM SURF EASTINGS: 627212 NORTHINGS: 4420161 FIELD NAME: NATURAL BUTTES (630 )  LEASE TYPE: 1 - Federal LEASE NUMBER: UTU0129384 PROPOSED FORMATION: WSTC SURFACE OWNER: 1 - Federal COALBED METHANE WELL? NO  RECEIVED AND/OR REVIEWED:  Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. NM 2308 ) M Potash (Y/N) JOI1 Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 49-225 ) M RDCC Review (Y/N) (Date: ) COMMENTS:  COMMENTS:  Tech Review Initials Date  Engineering  Ceology Surface  LOCATION AND SITING:  R649-2-3. Unit: NATURAL BUTTES ptt  No. 49-2-3. Unit: NATURAL BUTTES ptt  R649-3-2. General Siting: 460 From Otr/Qtr 4 920' Between Wells  R649-3-3. Exception  Drilling Unit Board Cause No: 172144 Siting: 4100 Full Author Functional Drill  COMMENTS:   |  |                                    |                  | THE PROPERTY OF THE PARTY OF TH | DV /   |                 |
| SURFACE: 0798 FNL 0850 FEL BOTTOM: 0798 FNL 0850 FEL BOTTOM: 0798 FNL 0850 FEL COUNTY: UINTAH LATITUDE: 39.92389 LONGITUDE: -109.5114  UTM SURF EASTINGS: 627212 NORTHINGS: 4420161 FIELD NAME: NATURAL BUTTES (630 )  LEASE TYPE: 1 - Federal LEASE NUMBER: UTU0129384 PROPOSED FORMATION: WSTC SURFACE OWNER: 1 - Federal COALBED METHANE WELL? NO  RECEIVED AND/OR REVIEWED:  Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. NM 2308 ) M Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 49-225 ) M RDCC Review (Y/N) (Date: ) COMMENTS:  COMMENTS:  REGE REVEW INITITES BAC  Engineering Geology Surface  LOCATION AND SITING:  R649-2-3. Unit: NATURAL BUTTES ptt  R649-3-2. General Siting: 460 From Otr/Ott 4 920' Between Wells R649-3-3. Exception  Drilling Unit Board Cause No: 172144 Siting: 4120 Full Communicate( R649-3-11. Directional Drill  COMMENTS:  |  | 1000 2105                          |                  | INSPECT LOCATN   | BY: /  |                 |
| COUNTY: UINTAH LATITUDE: 39.92389 LONGITUDE: -109.5114  UTM SURF EASTINGS: 627212 NORTHINGS: 4420161  FIELD NAME: NATURAL BUTTES (630 )  LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU0129384 PROPOSED FORMATION: WSTC  SURFACE OWNER: 1 - Federal COALBED METHANE WELL? NO  RECEIVED AND/OR REVIEWED:  VPlat  Bond: Fed[1] Ind[] Sta[] Fee[] (No. NM 2308 )  Potash (Y/N)  Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit (No. 49-225 ) (No. 49-225 ) RDCC Review (Y/N) (Date:)  ALP Fee Surf Agreement (Y/N)  LUA Intent to Commingle (Y/N)  COMMENTS:  Geology  Surface  Surface  LOCATION AND SITING:  R649-2-3.  Unit: NATURAL BUTTES PAL  R649-3-2. General Siting: 460 From Otr/Otr 4 920' Between Wells R649-3-3. Exception  Drilling Unit Board Cause No: 172144 Eff Date: 12.21949  Siting: 460 From Otr/Otr 4 920' Between Wells R649-3-11. Directional Drill  COMMENTS:   |  |                                    |                  | Tech Review  | Initials   | Date            |
| LATITUDE: 39.92389 LONGITUDE: -109.5114  UTM SURF EASTINGS: 627212 NORTHINGS: 4420161  FIELD NAME: NATURAL BUTTES (630 )  LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU0129384 PROPOSED FORMATION: WSTC  SURFACE OWNER: 1 - Federal COALBED METHANE WELL? NO  RECEIVED AND/OR REVIEWED:  What Potash (Y/N)  Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit (No. 49-225 )  RECEIVED (No. M9-225 )  ALP RECEIVED (No. M9-225 )  ALP Fee Surf Agreement (Y/N)  (Date: )  ALP Fee Surf Agreement (Y/N)  LOCATION AND SITING:  R649-3-2. General  Siting: 460 From Otr/Otr 6 920' Between Wells  R649-3-3. Exception  Drilling Unit  Board Cause No: 172.14  Eff Date: 12-2.1944  Siting: 460 From Comming of Siting: 460 From Otr/Otr 6 920' Between Wells  R649-3-11. Directional Drill  COMMENTS:   |  | NL 0850 FEL                        |                  | Engineering  |  |                 |
| UTM SURF EASTINGS: 627212 NORTHINGS: 4420161  FIELD NAME: NATURAL BUTTES (630 )  LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU0129384 PROPOSED FORMATION: WSTC  SURFACE OWNER: 1 - Federal COALBED METHANE WELL? NO  RECEIVED AND/OR REVIEWED:  VPlat  No. NM 2308  N Potash (Y/N)  Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 49-225  NECC Review (Y/N)  (Date:  |  | 29 IONGTTHDF: -109 5114            |                  | Geology  |  |                 |
| LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU0129384 PROPOSED FORMATION: WSTC  SURFACE OWNER: 1 - Federal COALBED METHANE WELL? NO  RECEIVED AND/OR REVIEWED:  Plat  Bond: Fed[1] Ind[] Sta[] Fee[]  (No. NM 2308 )  Potash (Y/N)  Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 49-225 )  NI ROCC Review (Y/N)  (Date:)  RECEIVED AND/OR REVIEWED:  LOCATION AND SITING:  R649-2-3.  Unit: NATURAL BUTTES plus  Siting: 460 From Qtr/Qtr & 920' Between Wells  R649-3-3. Exception  Drilling Unit  Board Cause No: 17314  Eff Date: 12-1944  Siting: 460 From Qtr/Qtr & 920' Between Wells  R649-3-11. Directional Drill  COMMENTS:   |  |                                    | 161              | Surface  |  |                 |
| LEASE NUMBER: UTU0129384  SURFACE OWNER: 1 - Federal  RECEIVED AND/OR REVIEWED:  Plat  No  Bond: Fed[1] Ind[] Sta[] Fee[]  (No. NM 2308 )  Potash (Y/N)  Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 49-225 )  RDCC Review (Y/N)  (Date:  Drilling Unit  Board Cause No:  172,14  Eff Date:  172,14  Siting: 460-3-11. Directional Drill  COMMENTS:   | FIELD NAME: NATU   | RAL BUTTES ( 630                   | )                | L  |  |                 |
| Plat  Bond: Fed[1] Ind[] Sta[] Fee[]  (No. NM 2308 )  Potash (Y/N)  Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 49-225 )  RDCC Review (Y/N)  (Date: )  Fee Surf Agreement (Y/N)  Intent to Commingle (Y/N)  COMMENTS:  R649-2-3.  Unit: NATURAL BUTTES AU  Unit: NATURAL BUTTES AU  R649-3-2. General  Siting: 460 From Otr/Otr & 920' Between Wells  Prilling Unit  Board Cause No: 173.14  Eff Date: 172.1949  Siting: 460 From Otr/Otr & 920' Between Wells  R649-3-3. Exception  V Drilling Unit  Board Cause No: 173.14  Eff Date: 172.1949  Siting: 460 From Otr/Otr & 920' Between Wells  R649-3-11. Directional Drill   | LEASE NUMBER: UT   | U0129384                           |                  |  |  | C               |
| Bond: Fed[1] Ind[] Sta[] Fee[]   | RECEIVED AND/OR RE   | VIEWED:                            | LOCATION         | ON AND SITING:   |  |                 |
|  | Bond: Fed[1]  (No. NM 2308  NO. NM 2308  Potash (Y/N)  Oil Shale 19  Water Permit  (No. 49-225  RDCC Review  (Date:  NA Fee Surf Agr  NA Intent to Con | (Y/N)  eement (Y/N)  mmingle (Y/N) | Unit: R R        | NATURAL BUTTES  649-3-2. Gener iting: 460 From Qt 649-3-3. Excep rilling Unit Board Cause No: Eff Date: Siting: 400 Y U 649-3-11. Dire   | al<br>tr/Qtr & 920' B<br>tion<br>173-14<br>12-2-190<br>Sdr(Funco | 19<br>mm.Tracts |
| STIPULATIONS: 1- Federal Opproce 2-0, SHAF   | COMMENTS:  |                                    |                  |  |  |                 |
|  | STIPULATIONS:  | 1- Jederec<br>2- Oil               | Dyproce<br>- SHO | O<br>VE  |  |                 |



Form 3160-3 (August 2007)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

| 5. Lease Serial No. |
|---------------------|
| UTU0129384          |
|                     |

6. If Indian, Allottee or Tribe Name

| APPLICATION | FOR | PERMIT | TO DRILL | OH | REEN | IER |
|-------------|-----|--------|----------|----|------|-----|
|             |     |        |          |    |      |     |

| 1a. Type of Work: DRILL REENTER  |  | 7. If Unit or CA Agreement, Name<br>NATURAL BUTTES UN    | and No.         |
|--|--|--|-----------------|
| 1b. Type of Well: Oil Well Gas Well Oth  | ner Single Zone Multiple Zone                      | Lease Name and Well No.     NATURAL BUTTES UNIT 75       | 7-26E           |
|  | KAYLENE R GARDNER<br>gardner@eogresources.com      | 9. API Well No.<br>43-047-4                              | 10238           |
| 3a. Address<br>1060 EAST HIGHWAY 40<br>VERNAL, UT 84078                                      | 3b. Phone No. (include area code) Ph: 435-781-9111 | 10. Field and Pool, or Exploratory<br>NATURAL BUTTES/WAS | ATCH            |
| 4. Location of Well (Report location clearly and in accorda                                  | nce with any State requirements.*)                 | 11. Sec., T., R., M., or Blk. and Sur                    | rvey or Area    |
| At surface NENE 798FNL 850FEL 39.  | 92390 N Lat, 109.51217 W Lon                       | Sec 26 T10S R21E Mer SLB                                 |                 |
| At proposed prod. zone NENE 798FNL 850FEL 39   | 92390 N Lat, 109.51217 W Lon                       |  |                 |
| 14. Distance in miles and direction from nearest town or post 49.7 MILES SOUTH OF VERNAL, UT | office*  | 12. County or Parish<br>UINTAH                           | 13, State<br>UT |
| 15. Distance from proposed location to nearest property or                                   | 16. No. of Acres in Lease                          | 17. Spacing Unit dedicated to this v                     | well            |
| lease line, ft. (Also to nearest drig. unit line, if any) 798                                | 1280.00  |  |                 |
| 18. Distance from proposed location to nearest well, drilling,                               | 19. Proposed Depth                                 | 20. BLM/BIA Bond No. on file                             |                 |
| completed, applied for, on this lease, ft. 1020  | 6488 MD  | NM 2308  |                 |
| 21. Elevations (Show whether DF, KB, RT, GL, etc. 5364 GL                                    | 22. Approximate date work will start               | 23. Estimated duration<br>45 DAYS                        |                 |
|  | 24. Attachments                                    |  |                 |

| The fol | lowing. | completed in | accordance with | the requirement | s of Onshore C | Oil and Gas Or | der No. 1. sh | all be attached to | this form: |
|---------|---------|--------------|-----------------|-----------------|----------------|----------------|---------------|--------------------|------------|

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

| Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111 | Date<br>07/14/2008                           |
|---|--|
|   |  |
| Name (Printed/Typed)                                    | Date   |
| PRADLEY G. HILL   | 08-05-08                                     |
| Office ENVIRONMENTAL MANAGER                            |  |
|   | Name (Printed/Typed)  Office BRADLEY G. HILL |

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct

operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

#### Additional Operator Remarks (see next page)

Electronic Submission #61395 verified by the BLM Well Information System
Federal Approval of this For EOG RESOURCES, INC., sent to the Vernal For EOG RESO

Action is Necessary

RECEIVED

AUG 0.4 2008



## State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 5, 2008

EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078

Re:

NBU 757-26E Well, 798' FNL, 850' FEL, NE NE, Sec. 26, T. 10 South, R. 21 East,

Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40238.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

**Uintah County Assessor** 

Bureau of Land Management, Vernal Office



| Operator:          | EOG Resources, 1           | Inc.        |                   |  |  |  |
|--------------------|----------------------------|-------------|-------------------|--|--|--|
| Well Name & Number | NBU 757-26E                |             |                   |  |  |  |
| API Number:        | 43-047-40238<br>UTU0129384 |             |                   |  |  |  |
| Lease:             |                            |             |                   |  |  |  |
| Location: NE NE    | Sec. 26                    | T. 10 South | <b>R.</b> 21 East |  |  |  |

#### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

| STATE OF UTAH   |   |                    | FORM 9  |                       |   |  |
|---|---|--------------------|---|-----------------------|---|--|
| DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING                              |   |                    | 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU0129384   |                       |   |  |
| SUND  | RY NOTICES AND REPORTS  | S ON               | WELLS   | 6. IF I               | NDIAN, ALLOTTEE OR TRIBE NAME:                                      |  |
| Do not use this form for propo bottom-hole depth, reenter plu DRILL form for such proposals   | sals to drill new wells, significantly deepe<br>ugged wells, or to drill horizontal laterals. | en exist<br>Use Af | ing wells below current<br>PPLICATION FOR PERMIT TO |                       | or CA AGREEMENT NAME:<br>RAL BUTTES                                 |  |
| 1. TYPE OF WELL<br>Gas Well   |   |                    |   |                       | 8. WELL NAME and NUMBER:<br>NBU 757-26E                             |  |
| 2. NAME OF OPERATOR:<br>EOG Resources, Inc.   |   |                    |   | NUMBER:<br>7402380000 |   |  |
| 3. ADDRESS OF OPERATOR:<br>1060 East Highway 40 , Verna                                       | al, UT, 84078 435 781-9   |                    | HONE NUMBER:<br>xt                                  |                       | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES                        |  |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE:<br>0798 FNL 0850 FEL<br>OTR/OTR, SECTION, TOWNSHI | TD DANGE MEDIDIAN.  |                    |   | COUNT<br>UINTA        | AH  |  |
| , , , , ,   | Township: 10.0S Range: 21.0E Meridian:  | : S                |   |                       | STATE:<br>UTAH  |  |
| 11.   | CK APPROPRIATE BOXES TO INDICA  | ATE NA             | ATURE OF NOTICE, REPOR                              | T, OR OT              | HER DATA  |  |
| TYPE OF SUBMISSION  | TYPE OF ACTION  |                    |   |                       |   |  |
|   | ☐ ACIDIZE   |                    | ALTER CASING  |                       | CASING REPAIR   |  |
| NOTICE OF INTENT Approximate date work will start: 8/4/2009                                   | CHANGE TO PREVIOUS PLANS  |                    | CHANGE TUBING                                       |                       | CHANGE WELL NAME  |  |
|   | CHANGE WELL STATUS  | _                  | COMMINGLE PRODUCING FORMATION                       | s L                   | CONVERT WELL TYPE  NEW CONSTRUCTION                                 |  |
| SUBSEQUENT REPORT Date of Work Completion:  | DEEPEN  OPERATOR CHANGE   | _                  | PLUG AND ABANDON                                    |                       | PLUG BACK   |  |
|   | PRODUCTION START OR RESUME  | _                  | RECLAMATION OF WELL SITE                            |                       | RECOMPLETE DIFFERENT FORMATION                                      |  |
| SPUD REPORT Date of Spud:   | REPERFORATE CURRENT FORMATION   | □ s                | SIDETRACK TO REPAIR WELL                            |                       | TEMPORARY ABANDON   |  |
|   | ☐ TUBING REPAIR   | □ <b>v</b>         | /ENT OR FLARE                                       |                       | WATER DISPOSAL  |  |
| ☐ DRILLING REPORT   | ☐ WATER SHUTOFF   | □ s                | SI TA STATUS EXTENSION                              | 1                     | APD EXTENSION   |  |
| Report Date:  | ☐ WILDCAT WELL DETERMINATION  |                    | OTHER   | ОТН                   | IER:  |  |
| EOG Resources, Inc.   | respectfully requests the API extended for one year   | D for              | the referenced well h                               | oe<br>•               | Approved by the Utah Division of I, Gas and Mining  August 06, 2009 |  |
| NAME (PLEASE PRINT)<br>Mickenzie Thacker  | <b>PHONE NUMBE</b><br>435 781-9145  | R                  | TITLE Operations Clerk                              |                       |   |  |
| SIGNATURE<br>N/A  |   |                    | <b>DATE</b> 8/4/2009                                |                       |   |  |



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047402380000

**API:** 43047402380000 **Well Name:** NBU 757-26E

Location: 0798 FNL 0850 FEL QTR NENE SEC 26 TWNP 100S RNG 210E MER S

Company Permit Issued to: EOG RESOURCES, INC.

**Date Original Permit Issued:** 8/5/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

| ire revision. Following is a checklist of some items related to the application, which should be verified.  |
|---|
| <ul> <li>If located on private land, has the ownership changed, if so, has the surface agreement been updated?</li> <li>Yes</li> <li>No</li> </ul>                              |
| • Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ( Yes ( No                          |
| • Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?  Yes No   |
| • Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?  Yes  No                                      |
| • Has the approved source of water for drilling changed?   Yes  No  |
| • Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?   Yes  No |
| • Is bonding still in place, which covers this proposed well?   • Yes   • No Utah Division of Oil, Gas and Mining   |

**Signature:** Mickenzie Thacker **Date:** 8/4/2009

**Title:** Operations Clerk **Representing:** EOG RESOURCES, INC.

**Date:** August 06, 2009

Bv: D

### United States Department of the Interior



#### BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office 170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410 http://www.blm.gov/ut/st/en/fo/vernal.html



IN REPLY REFER TO: 3160 UTG011

April 23, 2010

Kathy Schneebeck Dulnoan Kerr McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779

43-047-40238

Re:

Request to Return APD Well No. NBU 757-26E NENE, Sec. 26, T10S, R21E Uintah County, Utah Lease No. UTU-0129384 Natural Buttes Unit

#### Dear Kathy:

The Application for Permit to Drill (APD) for the above referenced well received in this office on July 14, 2008, is being returned unapproved per your request to this office in an email message to Natural Resource Specialist Dave Gordon received on April 12, 2010. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions regarding APD processing, please contact me at (435) 781-4455.

Sincerely,

Cindy Slueisa

Cindy Severson Land Law Examiner

CC:

**UDOGM** 

RECEIVED MAY 1 9 2010

DIV. OF OIL, GAS & MINING

| STATE OF UTAH  DEPARTMENT OF NATURAL RESOURCES  DIVISION OF OIL, GAS, AND MINING   |   |   | FORM 9  |  |
|--|---|---|---|--|
|  |   | 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU0129384   |   |  |
| SUNDRY NOTICES AND REPORTS ON WELLS  |   | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:   |   |  |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |   |   | 7.UNIT or CA AGREEMENT NAME:<br>NATURAL BUTTES                                |  |
| 1. TYPE OF WELL Gas Well   |   |   | 8. WELL NAME and NUMBER:<br>NBU 757-26E                                       |  |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.  |   |   | 9. API NUMBER:<br>43047402380000  |  |
| <b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th S   | PHONE treet, Suite 600, Denver, CO, 80217 3779  | NUMBER: 720 929-6007 Ext  | 9. FIELD and POOL or WILDCAT:<br>NATURAL BUTTES                               |  |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0798 FNL 0850 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 26 Township: 10.0S Range: 21.0E Meridian: S   |   |   | COUNTY:<br>UINTAH   |  |
|  |   |   | STATE:<br>UTAH  |  |
| 11. CHE  | CK APPROPRIATE BOXES TO INDICATE  | NATURE OF NOTICE, REPORT,   | OR OTHER DATA   |  |
| TYPE OF SUBMISSION   |   | TYPE OF ACTION  |   |  |
| Kerr-McGee Oil & G<br>extension to this A  | CHANGE TO PREVIOUS PLANS  CHANGE WELL STATUS  DEEPEN  OPERATOR CHANGE  PRODUCTION START OR RESUME  REPERFORATE CURRENT FORMATION  TUBING REPAIR  WATER SHUTOFF  WILDCAT WELL DETERMINATION  MPLETED OPERATIONS. Clearly show all pertine as Onshore, L.P. (Kerr-McGee) rapped for the maximum time allow with any questions and/or committed. | ent details including dates, depths, verspectfully requests an ed. Please contact the nents. Thank you. | Accepted by the Utah Division of Oil, Gas and Mining  ate: September 01, 2010 |  |
| NAME (PLEASE PRINT) Danielle Piernot   | PHONE NUMBER  | TITLE  Populatory Analyst   |   |  |
| SIGNATURE<br>N/A   | 720 929-6156  | Regulatory Analyst  DATE 9/1/2010   |   |  |



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047402380000

**API:** 43047402380000 Well Name: NBU 757-26E

Location: 0798 FNL 0850 FEL QTR NENE SEC 26 TWNP 100S RNG 210E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued: 8/5/2008** 

uner with legal rights to drill on the property as permitt the requ

| information as submitted in the p   | oreviously approved application to drill, remains valid and does not<br>elist of some items related to the application, which should be verified. |
|---|---|
| <ul> <li>If located on private land, has<br/>updated? Yes No</li> </ul>                 | the ownership changed, if so, has the surface agreement been  |
| <ul> <li>Have any wells been drilled in<br/>siting requirements for this loc</li> </ul> | the vicinity of the proposed well which would affect the spacing or ation? ( Yes ( No   |
| Has there been any unit or oth of this proposed well?                                   | er agreements put in place that could affect the permitting or operatics   No   |
| <ul> <li>Have there been any changes taffect the proposed location?</li> </ul>          | o the access route including ownership, or rightof- way, which could<br>Yes  No   |
| • Has the approved source of wa   | ter for drilling changed? 🔘 Yes 📵 No  |
|   | changes to the surface location or access route which will require a discussed at the onsite evaluation? ( Yes ( No                               |
| • Is bonding still in place, which  | Accepted by the covers this proposed well?   Yes  No Utah Division of Oil, Gas and Mining   |
| nature: Danielle Piernot  | <b>Date:</b> 9/1/2010   |
| Title: Regulatory Analyst Repres  | senting: KERR-MCGEE OIL & GAS ONSHORE, Les: September 01, 2010  |
|   | B. R. 202 CALW  |

Sig

Sundry Number: 16582 API Well Number: 43047402380000

| STATE OF UTAH  DEPARTMENT OF NATURAL RESOURCES  DIVISION OF OIL, GAS, AND MINING   |  | FORM 9   |  |  |
|--|--|--|--|--|
|  |  | 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU0129384                      |  |  |
| SUND   | RY NOTICES AND REPORTS OF  | N WELLS  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:          |  |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |  | sting wells below current<br>APPLICATION FOR PERMIT TO                 | 7.UNIT or CA AGREEMENT NAME:<br>NATURAL BUTTES |  |
| 1. TYPE OF WELL<br>Gas Well  |  |  | 8. WELL NAME and NUMBER:<br>NBU 757-26E        |  |
| 2. NAME OF OPERATOR:<br>KERR-MCGEE OIL & GAS ONS   | HORE, L.P.   |  | 9. API NUMBER:<br>43047402380000               |  |
| <b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th S   | PHONE N<br>treet, Suite 600, Denver, CO, 80217 3779  | NUMBER:<br>720 929-6515 Ext  | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES   |  |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE:<br>0798 FNL 0850 FEL   |  |  | COUNTY:<br>UINTAH                              |  |
| QTR/QTR, SECTION, TOWNSHI<br>Qtr/Qtr: NENE Section: 26   | (P, RANGE, MERIDIAN:<br>Township: 10.0S Range: 21.0E Meridian: S   |  | STATE:<br>UTAH                                 |  |
| 11.<br>CHE   | CK APPROPRIATE BOXES TO INDICATE N   | NATURE OF NOTICE, REPORT   | , OR OTHER DATA                                |  |
| TYPE OF SUBMISSION   |  | TYPE OF ACTION   |  |  |
| Kerr-McGee Oil & G<br>extension to this A  | CHANGE TO PREVIOUS PLANS  CHANGE WELL STATUS  DEEPEN  OPERATOR CHANGE  PRODUCTION START OR RESUME  REPERFORATE CURRENT FORMATION  TUBING REPAIR  WATER SHUTOFF | espectfully requests an<br>ed. Please contact the<br>nents. Thank you. |  |  |
|  |  |  |  |  |
| NAME (PLEASE PRINT)<br>Gina Becker   | <b>PHONE NUMBER</b> 720 929-6086   | TITLE<br>Regulatory Analyst II   |  |  |
| SIGNATURE<br>N/A   |  | <b>DATE</b> 7/11/2011  |  |  |

Sundry Number: 16582 API Well Number: 43047402380000



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047402380000

**API:** 43047402380000 **Well Name:** NBU 757-26E

Location: 0798 FNL 0850 FEL QTR NENE SEC 26 TWNP 100S RNG 210E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued: 8/5/2008** 

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

| <ul> <li>If located on private land, has the ownership changed, if so, has the surface agreement been<br/>updated? Yes No</li> </ul>   |
|--|
| <ul> <li>Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or<br/>siting requirements for this location?</li> <li>Yes</li> <li>No</li> </ul>                           |
| <ul> <li>Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?</li> <li>Yes</li> <li>No</li> </ul>   |
| • Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?  Yes  No   |
| • Has the approved source of water for drilling changed?   Yes  No   |
| <ul> <li>Have there been any physical changes to the surface location or access route which will require a<br/>change in plans from what was discussed at the onsite evaluation?</li> <li>Yes</li> <li>No</li> </ul> |
| • Is bonding still in place, which covers this proposed well?   Yes   No   |
|  |

**Signature:** Gina Becker **Date:** 7/11/2011

Title: Regulatory Analyst II Representing: KERR-MCGEE OIL & GAS ONSHORE, L.P.



### State of Utah

#### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

July 12, 2012

Danielle Piernot Kerr McGee Oil & Gas Onshore, L.P. P.O. Box 173779 Denver, CO 80217 43 047 46238 NBU 757-26E 10S 21E 26

Re:

APDs Rescinded for Kerr McGee Oil & Gas Onshore, L.P.

**Uintah County** 

Dear Ms. Piernot:

Enclosed find the list of APDs that you requested to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective July 12, 2012.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely.

Diana Mason

Environmental Scientist

and Masin

cc: Well File

Bureau of Land Management, Vernal



| )211 N | IBU 726  | -35E   |
|--------|--|--|
| )212 N | IBU 723  | -35E   |
| )213 N | IBU 729  | -35E   |
| )214 N | IBU 725  | -35E   |
| )215 N | IBU 724  | -35E   |
| )216 N | IBU 419  | -29E   |
| )219 N | IBU 739  | -30E   |
| )220 N | IBU 678  | -26E   |
| )221 N | IBU 679  | -26E   |
| )222 N | IBU 756  | -06E   |
| )223 N | IBU 51 <mark>7</mark>  | -06E   |
| )224 N | <b>IBU 320</b>   | -06E   |
| )225 N | IBU 430  | -08E   |
| 9446 N | IBU 619  | -4E  |
| )264 N | IBU 717  | -26E   |
| 0028 N | IBU 672  | -25E   |
| )238 N | IBU 757  | -26E   |
| )239 N | IBU 758  | -27E   |
|        |  |  |
|        | 0212 N<br>0213 N<br>0214 N<br>0215 N<br>0216 N<br>0219 N<br>0220 N<br>0221 N<br>0222 N<br>0222 N<br>0223 N<br>0224 N<br>0225 N<br>0246 N<br>0264 N<br>0264 N | 0212       NBU 723         0213       NBU 729         0214       NBU 725         0215       NBU 724         0216       NBU 419         0219       NBU 739         0220       NBU 678         0221       NBU 679         0222       NBU 756         0223       NBU 517         0224       NBU 320         0225       NBU 430         02446       NBU 619         0264       NBU 717         0028       NBU 672         0238       NBU 757 |